



No. 3

October 1980

1961-75 Food Stamp Program

United States
Department of
Agriculture

Food and
Nutrition
Service

Revised
January 1976

FNS-118

History

On January 21, 1961, the President, in his first executive order, directed the Secretary of Agriculture to increase the amount and variety of food being distributed to low-income families. In the President's message to Congress on February 2, 1961, he instructed the Secretary to establish pilot food stamp programs to test the effectiveness of such an approach in providing better nutrition for needy people and in making better use of the Nation's food surpluses. The concept of the 1939-43 Food Stamp Plan was used, but a different approach was developed to more effectively implement the intent of the order.

Pilot Program

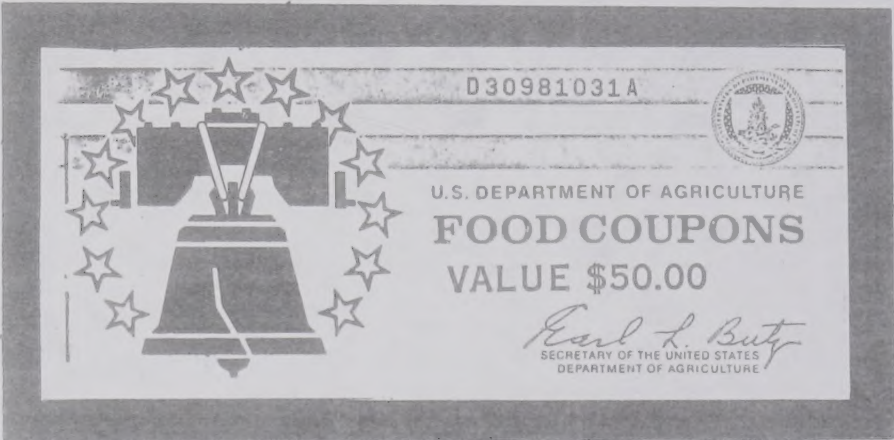
On March 7, 1961, USDA designated eight pilot areas, seven in primarily rural areas—Franklin County, Ill.; Floyd County, Ky.; Virginia—Hibbing—Nashwauk complex in northern Minnesota; Silver Bow County, Mont.; San Miguel County, N.M.; Fayette County, Pa.; McDowell County, W. Va.—and one in an urban area, Detroit, Mich. The pilot Food Stamp Program proved to be an effective means of expanding farm markets and improving the quality and quantity of the diets of low-income households. Evaluation studies by USDA research agencies showed that:

1. Participating households increased their food consumption significantly under the pilot Food Stamp Program, even though they had formerly received federally donated commodities.

2. Over 80 percent of this increase was in livestock products, fruits, and vegetables.
3. The nutritional value of participating households' diets improved substantially.
4. Retail food store sales increased an average of 8 percent in the pilot areas after the pilot Food Stamp Program began. All kinds of stores, from the smallest to the largest, shared in this increase.
5. Participants and others involved in the program liked it.

By August 1964 the pilot Food Stamp Program was serving 350,000 people in 43 project areas in 22 States. A total of \$5.8 million in food stamps was issued in August 1964, of which \$2.2 million represented the value of bonus coupons. Each person received an average of \$6.38 in bonus coupons in August 1964.

On January 31, 1964, the President, in his message on agriculture, recommended legislation to make the Food Stamp Program permanent and more widely available. The Food Stamp Act (Public Law 88-525) was signed into law on August 31, 1964.



The Program Today

Scope: Public Law 93-86, dated August 10, 1973, mandated a nationwide Food Stamp Program by June 30, 1974, unless a State could show that participation of a particular area would be impossible or impractical. Today, every county in the Nation participates in the program. Because Indian reservations may have special problems (for example, lack of transportation) in implementing the program, they can, by law, retain USDA's Donated Foods Program until June 30, 1977.

In March 1975 nearly 19.3 million people paid about \$267 million and received \$420 million worth of free or bonus food stamps, or a total of over \$687 million in food stamps. These people could use their coupons at any of the more than 234,000 authorized retail food stores and 4,875 authorized meal services.

Principles: The standards for participation of eligible households in the Food Stamp Program are the same for everyone without regard to race, color, sex, religious creed, national origin, or political beliefs.

Under the Food Stamp Program, a household pays a certain amount for an allotment of food stamps worth more than the amount paid. The amount a household pays—called the purchase requirement—is based on the household's size and income after certain allowable deductions. The purchase requirement represents a reasonable investment by the household but, by law, cannot exceed 30 percent of the household's net monthly income. Households with little or no income pay nothing for their coupons.

The amount of food stamps a household receives—called the coupon allotment—is based on the cost of a low-priced, nutritionally adequate diet developed by USDA's Agricultural Research Service. The Food Stamp Act, as amended in 1973, requires that this allotment be adjusted semiannually to reflect changes in food prices as published by the Department of Labor's Bureau of Labor Statistics. The coupons, which are slightly smaller than a dollar bill, come in three denominations and colors: \$1 (brown), \$5 (purple), and \$10 (blue-green). They are issued in books ranging from \$2 to \$65 in value.

(continued on p. 4)

AN EDITORIAL

If there ever was a father of his collecting field it is Neil Shafer. It was by his single-handed effort in the early 1970's that the Personalized Plastics Company (now Plasco) of La Crosse Wisconsin, was induced to set aside several sets of each of its token runs for collectors, usually about four to six sets per order. The advent of those tokens on the exnumismatic market is history. Neil's other activities included one of the earliest search-and-locate efforts in the country for FSC tokens and scrip in the mid-1960's. From what I can tell his hunting focussed mainly around Milwaukee and Chicago. There were probably other areas that he covered as well. His major contribution in my judgement has been the development of a number of journal articles which provide nearly all of the basic historical material on this collecting field. Unfortunately most of them are out of print and only the most dedicated of you will make the effort to dig them out. I cannot recommend them highly enough.

The FOOD STAMP CHANGE NEWSLETTER is Edited and Published quarterly by Jerry F. Schimmel and the subscription for July 1980 through June 1981 is \$3.85. Persons subscribing in mid-year receive all issues for that year. Subscribers can submit one free 30 word ad each issue and which must be resubmitted for each issue. Full page ads cost \$7.50, half-page ads are \$4 and quarter-page ads are \$2.50. Copy must be submitted by June 15, Sept. 15, Dec. 15, and March 15 to be published. Full page material submitted must be 11x7 1/4 inches. Newsletters will be mailed before the Tenth of the following month.

The article titles are:

Whitman Numismatic Journal

"Money At A Discount, The Story of The Federal Government's Food Stamp Coupons," June 1966, pp.394-398.

"Money At A Discount, Part II: Federal Food Coupons - The Chicago Story, Oct. 1966, pp. 707-709.

"Money At A Discount, Part III: Federal Food Coupons - The Los Angeles Story", July 1968, pp. 385-388.

Token and Medal Society Journal

"Food Stamp Tokens, Scrip and Due Bills Nationwide," December 1972, pp. 219-224.

Bank Note Reporter

"Food Stamps and Coupons, 1939-1975," August 1975, pp. 22-24.

According to Neil the Whitman Journals were donated to the ANA Library and the Bank Note Reporters went to Krause Publications. Of the latter there are about 50 copies of the above issue at \$3.25 each from Circulation Dept., Bank Note Reporter, Krause Publications, Iola WI 54945. The ANA Library is at P.O. Box 2366, Colorado Springs, CO 80901. TAMS Journal is at Box 127, Scandinavia WI 54977.

NEW JERSEY

Enclosed with this issue is a supplement in the form of a New Jersey FSC token catalog. It is Gary Patterson's second phase, the first having appeared in the December, 1979, TAMS Journal. My hope is that I will be able to publish at least one supplement per year, although this one puts me somewhat in the red for the moment.

YOUR SUBSCRIPTION

Several persons have asked how long their subscriptions run. All who are now subscribers will receive four issues (plus the Promotional Issue) through April, 1981.

ODDS AND ENDS

Thanks go to the TAMS Journal and the WESTS Token Ledger for their mention of FSC Newsletter. ... Reader Frank Earle has just published a book on slotted telephone tokens titled SLOTTED, GROOVED, & PUNCHED. It is \$5 from Frank. ... Puerto Ricans, I saw a request in El Chavito for articles to go in the NUMI EXPO 80 publication. How about one on FSC Tokens and Scrip? I have prepared one for the WESTS Token Ledger. ... Fred Robinson is starting a "tokens only" advertiser newspaper. He offers a free 30 word ad. See the Subscribers' Ads section. ... See Ron Livingston's ad for help needed on Brazoria County, Texas, items.

FOOD STAMP PROGRAM (cont. from p. 2)

A household may use its food stamps to buy food for home consumption, or seeds and plants to produce food for the household. In addition, 1971 and 1973 amendments to the Food Stamp Act provide for special uses of food stamps by certain groups. The 1971 amendments allow elderly, disabled people to use food stamps to buy meals from authorized nonprofit meal delivery services. The 1973 amendments permit elderly participants to use food stamps for meals served by authorized establishments; drug addicts and alcoholics taking part in rehabilitation programs to use food stamps to buy meals from authorized nonprofit organizations; and Alaskans in certain remote areas of that State to use food stamps for hunting and fishing equipment except firearms, ammunition, and other explosives.

Eligibility: Any household that meets established national uniform eligibility requirements and complies with program work registration requirements can participate in the Food Stamp Program. Such households might include:

- Elderly people living on social security or other pensions
- Welfare recipients living with low-income working people
- Unemployed people
- Part-time workers
- Workers with low wages
- People with no income at all.

Households in which everyone receives welfare assistance are automatically eligible for food stamps without regard to income or resources.

Anyone who gives false information, participates in the program illegally, or misuses food stamps can be prosecuted.

Retailers, Wholesalers, and Meal Services: Retail food stores and meal services must be authorized by USDA's Food and Nutrition Service and must agree to follow program regulations before they can accept and redeem food stamps. They can redeem coupons through commercial banks or authorized wholesalers. These local banks send the coupons to Federal Reserve banks.

If USDA finds that a firm is violating program regulations, it may disqualify that firm from participating for 30 days to 3 years. The firm could also be subject to criminal prosecution.

Administration: Under the terms of the Food Stamp Act, each State's welfare agency administers certain aspects of the program within the State. These functions include telling low-income households about the program, insuring participation of and certifying eligible households, and issuing food stamps.

Under the provisions of Public Law 93-347 (approved July 12, 1974), USDA reimburses States for half the cost of running the Food Stamp Program. That law also directs USDA to withhold payment of these matching funds if a State fails to operate the Food Stamp Program "efficiently and effectively."

Quality Control: The food stamp quality control program was established in 1972 to insure that the Food Stamp Program is run fairly and correctly. Following USDA quality control guidelines, the States review a statistically valid sample of active cases and negative actions to determine whether households receiving food stamps are eligible, are certified for the correct purchase requirement, and are certified for the correct food stamp allotment. State reviewers also determine whether households are wrongly denied food stamps. States use these findings to assess and correct weaknesses in their operation of the Food Stamp Program.

FOOD STAMP CHANGE TOKEN STORES

by Jerry F. Schimmel

The only book so far on Food Stamp Change Tokens. Lists more than 4000 stores in fifty states, two territories and Puerto Rico. Gives tips on how to locate and obtain stores that may have leftover token stocks. Only fifty made up. About thirty-five remain. \$7.50 to subscribers. Higher to others.

LOCAL TOKENOTES

I want to continue writing about the ways in which collectors find tokens, and what better way is there than to hear from others. Please let me know about your experiences so that I can pass them along to other readers.

SOUTH DAKOTA

In the most recent issue of METCA I saw an ad by Les Hilligoss of Mitchell, South Dakota for two sets of SD tokens. I sent my check for \$3.00 since that is cheap for two full, five-piece sets. In the sets I received I found two varieties of the Randall's Foods shown below. Another set was from Al's Oasis in Chamberlain.



See his ad in the back. Les wrote back and his letter is an example of what can happen when you start looking for tokens and are willing to risk buying the whole batch. Doing it that way you can often find tokens from other stores, or types and varieties issued by the same store, but otherwise unknown to collectors. Another good example of the latter are the BUCHES SUPERMARKETS tokens shown. Two of the tokens have the legend "GREGORY OR" scratched out, apparently when one of the stores was sold. The third token shows a later design in which only the word "WAGNER" shows as a place name. Les' letter follows.

August 25, 1980
Mitchell, South Dakota

Dear Jerry:

When I first started looking for food tokens I knew the manager of Randall's and he gave me ten sets. We picked them out of a gallon jar. That's how we got the two kinds. Later I got five rolls from him. If I hadn't set you a set of them, I'd never have known there were two kinds. So this p.m. I went up and bought the jar and all he had left. Have been all afternoon sorting them out. Looks I'll have about 32 sets left of the old ones, that is full sets and some extra ones.

Am enclosing the extras or other stores that were in the jar. They are no good to me. Maybe you can use them. (ED: I can!) These were among them.



Don't know about this one. (ED: I don't either.)



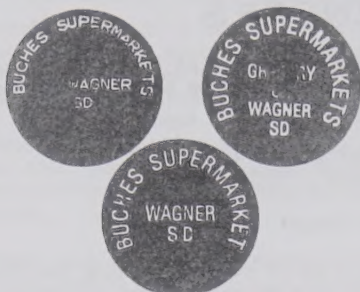
Or this one. (ED: Eau Claire, Wisconsin)



Was in Madison, but didn't find this there. Someone told me the Red Owl had them, but the store was destroyed by fire.

FIXED PRICE SALES LIST of Food Stamp Change Tokens, Mostly California, but also Alaska, Nevada, Puerto Rico and South Dakota. Have added many new stores and towns. Send for free list. J. Schimmel, P.O. Box 40888, San Francisco, CA 94110.

LOCAL TOKENOTES (cont.)



This store is about 80 miles southwest of here. If I ever get down there I will see what I can get.



Said he destroyed his.



Small store here. Said his kids used them for play money. About the end of the sheet. Hope these are o.k.

Les Hilligoss

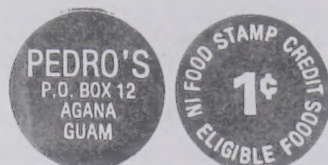


P.S. Had this damn thing all stapled up and found these on my desk. Was out to Presho, my old home town, and an old guy was looking for SD tokens. He helped clean out a store that went bankrupt and he found these. Doubt if there are many others.

GUAM

There are other ways in which to look for tokens especially when travel to the area of your interest is prohibitive. One of my interests is U.S. Territorial issues and Guam tokens are included. In this case an address was known and so I wrote enclosing a \$1 bill and a stamped, self-addressed en-

asking if the store would send me one of each color. I was lucky and received a four-piece set (no 5¢).



I asked whether they would be receptive to letters from other collectors, but to date I have had no reply. The full address is Mr. Renato Silvestre, Chief Accountant, Pedro's Market, P.O. Box 12, Agaña, Guam 96910. Postage each way is only 15¢. It is a method for risk-takers since I have sent some dollars elsewhere with no response!

PUERTO RICO

The Puerto Rico collectors always seem to be the busiest. They are certainly among my most active correspondents. Here's a letter from Pablo Rodriguez.

July 17, 1980
Morovis, Puerto Rico

Dear Jerry:

Thanks for your kind information and good ideas about F.S. tokens and how to make them available to other collectors. I have found a few tokens from stores near my area using your book. Two of the stores have destroyed all their remaining pieces. Only from two stores have I obtained some pieces. One of the most interesting stories I can tell in using your book was with the Chiquis Supermarket. I talked to the new owner of the store. He told me that he gave the tokens to some kids. I think probably they used the tokens as play money. About three weeks later I asked in a liquor store about tokens and one of the kids in the store told me that his mother had about 1,000 in a box from Chiquis Supermarket. Later I visited the kids house and his mother invited me in to count them. Finally I counted more than 1,500 tokens, two different kinds. The woman told me that for awhile her house was like a battle zone with tokens in the bedrooms, bath, kitchen, closets and porch - all over the place. She ended the war with a broom and big box. I end my story here.

Pablo

subscribers' ads/ anuncios de los subscriptores

Have at least one set of Food Stamp Tokens from each of 50 states. Will trade for any MICHIGAN "Good For" token or Food Stamp Token which I need. Raymond E. Olson, 545 North Harvey, Plymouth, MI 48170.

NEBRASKA EXONUMIA WANTED - FSC, Merchant Trade, Trans. Miss. Expo. & Etc. Have exceptional trading stock. Name your needs. George Hosek, 7411 Idledale Lane, Omaha, NB 68112.

Wanted. ALL NEW JERSEY Food Stamp Tokens and Scrip. Also collect any other NJ items, and all prison exonumia. Jerry Zera, Box 248, Brick, NJ 08723.

Cataloguing NEW JERSEY Food Stamp Tokens (no paper Scrip). Any info will be of great help. All letters answered and postage refunded. Gary Patterson, R.D. 3, 1108 Northampton Blvd., Toms River, NJ 08757.

I am interested in picking up NEW YORK STATE pieces. Gary Pipher, P.O. Box 217, Johnson City, NY 13790.

Want to trade PUERTO RICO tokens for spanish name tokens from continental U.S. Pablo Rodriguez, Box 3131 Unibon Morovis, PR 00717.

Vendo y cambio fichas del Centro Isla (PUERTO RICO). Varias o multiples. Pablo Rodriguez, Buzon 3131 Unibon, Morovis, PR 00717.

Want to buy Food Stamp Tokens and Scrip of PUERTO RICO. Also interested in plantation tokens and other numismatic items of the island. Please send list stating condition and prices to: Efrain Archilla-Diez, P.O. Box C Humacao, PR 00661.

Wanted. FSC tokens and scrip of PUERTO RICO and five-piece sets from ANYWHERE. Can trade or sell some duplicates. Dr. F.J. Zamora, Box 119, Mayaguez, PR 00708.

SOUTH DAKOTA FSC tokens: Mitchell - Randall's Foods, set of 5; Chamberlain - Al's Oasis, set of 5; \$1.50 each set or trade two SD merchant tokens. L.S. Hilligoss, 500 E. 2nd Ave., Mitchell, SD 57301.

Paul Cunningham's most recent FSC fixed price list contains not only lists of tokens by state and town, but also paper scrip. I have found it useful in identifying many paper items. It has a study by Neil Shafer on Personalized Plastics reverses and obverses and which goes into some detail. The prices give some ideas to where parts of the market are going. Even if you buy nothing from the list it is an excellent reference.

Wanted. FSC Tokens and Scrip from ALL STATES and TERRITORIES to build a representative collection for occasional use in newsletter. Will trade, buy or accept donations of singles, partial sets or full sets. J. Schimmel, P.O. Box 40888, San Francisco, CA 94140.

We buy Food Stamp Tokens and Scrip, handsful to bags! Paul Cunningham, P.O. Box 1, Tecumseh, MI 49286.

I am trying to produce a token swap list for ALL token items, and will feature ONLY TOKEN ITEMS. First issue will be out on the 20th of Sept. 1980. Send a long stamped envelope and two loose 15¢ stamps for your sample. For this first issue I offer you a FREE 30 word ad! Fred Robinson, Special Interest Publishing, P.O. Box 121, Downtown Station, Canton, OH 44701.

ANA Museum looking for Food Stamp Change Coupons and Tokens. Do you have duplicates? Why not donate one or a set to the museum for posterity. Write ANA Museum, P.O. Box 2366, Colorado Springs, CO 80901.

ALASKA Food Stamp Tokens. Kasigluk Co-Op Store, Inc, Kasigluk, AK. Set of 4 (no 50¢) \$4.00. J. Schimmel, P.O. Box 40888, San Francisco, CA 94140

As a subscriber you can place a free 30-word ad in this newsletter free every issue. You just have to send it in every time.

Subscriptores pueden poner a anuncios clasificados de 30 palabras gratis cada edicion. Debe ponerlos por cada edicion.

Wanted. TENNESSEE Paper scrip, tokens, including FSC. Buy or Trade. Charlie Sedman, POB 4196, Durham, NC 27706.

Brazoria County, TEXAS, items needed for collection and cataloguing effort (or reports of their existence). Also collect TEXAS numismatic items - all sorts. Ronald Livingston, 229 Caladium, Lake Jackson, TX 77566.

Wanted. Food Stamp tokens from ARIZONA, GUAM, IDAHO, NEVADA, OKLAHOMA, VERMONT, WEST VA., and Paper Scrip from Alaska, Hawaii, Nevada, Puerto Rico, and Virgin Islands. Al Zaika, Box 65, Bellmawr, NJ 08031.

I have some of my old tokens available: GREGORY'S/ COUNTRY/ STORE/ DAVENPORT/ CA, set of 5 for a 15¢ stamped envelope and \$1.00. Mrs. Julia Arro, Gregory's Store, Davenport, CA 95017.

FOOD STAMP CHANGE TOKENS & SCRIP

LOVE 'EM OR HATE 'EM, THEY'RE HOT ITEMS TODAY!

Remember when Civil War tokens sold for 25¢ each? Remember when a \$10 transit token sold for just that? Food Stamp Tokens and Paper Scrip will never be cheaper than they are right now.

Don't miss this opportunity to collect or accumulate some of these tokens and scrip for the future. The use of these has been officially suspended and thousands, if not millions of them, have been already destroyed.

We have available a retail list of about 2500 different sets from virtually all the states and United States territories and possessions. Send one dollar (refundable with any order) now for that list! Food Stamp Scrip is available also. WE BUY TOO! Let us know what you have for sale.

Our newly revised and expanded reference list features some 800 titles covering tokens, medals, coins, paper money and other collectibles such as postcards and antique guns. Send \$1 for that list as well also refundable with any order). Wants lists are serviced.

Our next auction will include many items of popular interest. Send \$1.50 and receive the auction catalog and the prices realized, all by First Class mail. Catalogs will be sent only to First Class subscribers in the future: five sales for five dollars.

A WHOLESALE LISTING

100 Different Food Stamp Tokens of different merchants, of plastic, aluminum, wood and from different makers (no full sets included)	\$35.00
500 Different tokens as above, but includes some complete sets from various states	150.00
1000 Different as above	275.00
2000 Different as above	500.00
100 Assorted Tokens	20.00
1000 Assorted Tokens	175.00
5000 Assorted Tokens	750.00
100 Different Food Stamp Scrip, all paper	15.00
200 Different as above	25.00
1000 Assorted Scrip	75.00

Samples of tokens and scrip free for 28¢ SASE!

All orders postpaid to street address (for U.P.S. delivery).

PAUL A. CUNNINGHAM
BOX ONE
TECUMSEH, MI 49286